



JOINT POLICY COMMITTEE — REGIONAL PLANNING PROGRAM

Draft Minutes of the Meeting of March 21, 2014 Held at 10:00 AM at the Metro Center Auditorium, Oakland

ABAG

Scott Haggerty
Julie Pierce

BAAQMD

Tom Bates
Nathan Miley
Mark Ross

BCDC

John Gioia
Anne Halsted
Kathrin Sears
Zack Wasserman

MTC

Jake Mackenzie
Jim Spering
Amy Worth

1. Call to Order

Chair Gioia called the meeting to order.

2. Approval of Joint Policy Committee Meeting Minutes of November

There were no minutes to review. The previous two meetings of the JPC had been cancelled.

3. Report of the Executive Committee (John Gioia, Chair)

The JPC Executive Committee met on March 13, 2014. The Executive Committee requested that there be a full presentation and discussion on SB792 at the JPC meeting. There was a brief discussion regarding the JPC Climate Program presentation in preparation for the full JPC meeting.

4. Report on JPC Climate Program (Bruce Riordan and Aleka Seville, JPC)

Mr. Riordan outlined details of meetings conducted in each Bay Area County by JPC Climate Program:

- JPC staff co-hosted meetings with a local entity who helped invite and bring stakeholders
- Met with stakeholders (a total of 140 people) in each of the nine counties working on Climate adaptation, including representatives from public works, planning, health, water and other sectors.
- The resulting report spotlighted sixty projects that exemplify action of different types in the region.

Identified Barriers to Climate Adaptation:

- Need for more unified planning and governance structure
- The challenge is greater than resources we have available – need creative thinking
- We need a shared vision for what a more resilient Bay Area looks like, including measurable goals.

- Need for supportive Science and Data.
- Creation of a network that helps people work across and within sectors more efficiently.

Report on Climate Readiness Institute Launch:

- February 11, 2014 was the launch of a partnership between UC Berkeley, Stanford and Davis to work on Climate Adaptation research in the region, focused on the Bay Area. The goal is that these academic partners will work closely with stakeholders from the public sector, non-profit, philanthropy to advance climate adaptation strategies and action.

In discussion, the Committee raised the following questions and points:

- Important for the four agencies to continue to work together to achieve progress on climate adaption.
- BCDC, ABAG and the Coastal Conservancy have started to tackle the issue through the Shoreline Resilience Project. They have created a 6-month and 2-year integrated work plan among the agencies that will inform regional efforts.
- There is only so far we can push the SCS model. It is nested in a good statutory framework for mitigating the effects of climate change. We need something like that for Climate Adaptation, to bring structure to our effort.
- We need to be able to translate these issues into action with the larger circle of public servants who need to effectuate action in their communities. Fully engaging local governments is critical.
- We don't have the money to get the job done. We need legislation to bring in an infusion of money to do what needs to be done.
- Many of the communities around the Bay Area are small and have been hit by recession. Thinking about a climate action plan is far down on the list of priorities. Need resources to lift it up as a priority. These communities need technical assistance to help overcome some of the heavy lifting involved.

Mr. Riordan suggests the discussion by the Committee reinforces the approach that was taken of having county-by-county meetings - highlighting the kinds of resources, assistance that cities and counties need and the role that regional agencies can play.

5. Senate Bill 792

Chair Gioia outlined that the Senator DeSaulnier and his staff invited the JPC Member Agency Executive Directors to provide comments on existing draft dated February 22, 2014 by the end of March.

- A) Ms. Allison Brooks provided an overview of JPC proposed amendments to Senate Bill 792 on which the JPC member agency Executive Directors have reached consensus. These points were included in a Memo that is part of the meeting packet.

Amendment #1 – MTC and ABAG should remain the adopting agencies for the Sustainable Communities Strategy, with BAAQMD and BCDC serving as technical advisory.

- There was general agreement among the Committee regarding this point, and no objections.

Amendment #2 – MTC, ABAG and BAAQMD are conducting a consolidation study in preparation for moving into 375 Beale Street in San Francisco that should meet the goals outlined in the draft bill regarding a plan for the consolidation of functions

- There was general agreement among the Committee regarding this point, and no objections.

Amendment #3 – Modified language regarding the public participation process as part of future Sustainable Communities Strategies.

Discussion:

- A question was raised as to the formation of the Advisory Group mentioned in the bill. It was expressed that the structure for public participation that was used in the development of Plan Bay Area did not work. There is a need to do something different that involved local government representatives.
- **The Committee advised a language change to the amendment that states:**
The public engagement advisory group will include representatives of local planning agencies and congestion management agencies and other local agencies.
- The Committee advised a language change to the amendment that calls for the inclusion of both MTC and ABAG to approve the final public participation plan.

Speaker: Ms. Pat Ecklund, City Council member from Navato, expressed support for including representatives of local government in developing the public participation plan. Would highly recommend that both ABAG and MTC board's approve the public outreach program.

Amendment #4 – The Sustainable Communities Strategy shall include performance indicators on a broader set of issues.

Discussion:

- How does the legal framework fit into this? Including these other issues in our discussion has merit, but confused as to how this plays out in the process from a statutory perspective.
- Staff responded by saying that the primary focus of these new indicators is on the adaptation question. They are not given status of standards. Housing needs and the transportation planning process are statutory requirements. This is a way to incorporate them into the discussion and start the conversation about adaptation within the framework of SCS, without going too far.
- This fits into earlier discussion of BCDC and Air District providing technical guidance. We need to evaluate how much of the climate adaptation issues need to be incorporated into the SCS in some form to understand what needs to be done to support a sustainable region.

- Air Quality was incorporated in the last SCS and that will continue.
- Question was raised regarding how Sea Level Rise will be incorporated into the SCS?
- BCDC staff responded by saying that BCDC will work as hard as they can with the money they have to include information in the SCS that is substantial enough to inform a sustainable region.
- What is the status of BCDC moving into the new building? Why was that struck from the bill?
- The appropriations Committee struck it because it is a state cost. Senator DeSaulnier's staff is eager to work with BCDC so that they can move in to the building.
- Regarding the financing piece of this. How are our existing resources going to support level of work contemplated here? Shouldn't there be a financial component included in this bill? We have a responsibility to do credible work, but challenging if the resources aren't there.

Chair Gioia asked if the Committee was fine with the proposed language? He stated that the JPC will be most effective when we can find places where all four agencies are in agreement.

Final Discussion Points on SB792:

- The policies we agreed upon today have a lot of merit. If all of these provisions went away, would we be in any worse condition? Should we support a bill that legislates how we conduct our own business?
 - This process is underway and the Senator is going to move the bill, it's in our interest to make the bill the best it can be.
 - All this language can be very productive in improving the SCS process moving forward. Regardless of what the State decides to do, there is nothing that precludes us from including these in the next SCS process moving forward.
 - Can we include other items in SCS that are not specifically authorized by statute? What is our ability to do the things outlined if we don't have statutory authority to do them?
 - To the extent we want to mandate changes in other institutions through the SCS, we need to do what the statute says. The areas where we have taken initiative beyond the law are areas where we thought it would be well received, including the OBAG grant program.
 - There is nothing in this bill we can't do on our own. We should move forward and stay at the table. The Committee directed that all four of the Chairs of the JPC Member Agencies Commissions/Boards will meet with Senator DeSaulnier to see if this is something he wants to continue to pursue. There was consensus reached on the amendments discussed, with the language changes outlined by the Committee.
- B) Ezra Rapport withdrew the two proposed amendments, the first being on water and the second on in-commuting.

6. Presentation on California Cap-and-Trade Program (Richard Corey, Executive Officer, California Air Resources Board)

Chair Gioia expressed regrets that Richard Corey had driven all the way from Sacramento to present to the JPC but had only fifteen minutes left on the agenda. The Committee agreed to stay longer to hear Mr. Corey's presentation.

Mr. Corey presented a PowerPoint presentation: **Cap-and-Trade Auction Proceeds: Greenhouse Gas Reduction Fund**, which will be posted on the JPC website.

Mr. Corey started by saying he had been with the California Air Resources Board (CARB) for 29 years, serving as Executive Officer for the past year.

Focus of presentation is about process to get to proposed budget for expenditure of Cap-and-Trade proceeds. What is the proposal? How did we get here? What are the next steps?

Cap-and-Trade is one policy under umbrella of AB32. Cap-and-Trade is intended to be included in a suite of strategies to get us to 1990 emission levels by 2020. There are many contributors to greenhouse gas emission, and a range of strategies that have to be implemented.

Mr. Corey's Presentation Included the Following Focus Areas:

- Auction Proceeds: Overview
- Auction Proceeds: Investment Plan
- Auction Proceeds: Funds Proposed for Expenditure
- Auction Proceeds: FY2014-15 Proposal
- Auction Proceeds: Rail Modernization Proposal
- Auction Proceeds: Transportation Sector Proposal
- Auction Proceeds: Energy Sector Proposal
- Auction Proceeds: Natural Resources Proposal
- Auction Proceeds: Anticipated Funding Flow

Discussion:

- EnviroScreen Tool – In review of top 10% of impacted communities many are in the Central Valley and in Los Angeles region. The net effect is that there are not as many communities included from the Bay Area. Raising that to 25% would include more Bay Area communities.

Mr. Corey outlined that the way the funding is structured to support Sustainable Communities Strategies, is that the funding would go through the Strategic Growth Council who would develop guidelines for how those resources would be distributed.

- It was noted by staff that the Strategic Growth Council (SGC) is proposing adding new staff that would put them in the position of selecting projects, that would put MPO's in the position of being a grant recipient, rather than a grants administrator.

Mr. Corey proposed having a SGC representative to speak directly with JPC agencies.

- We have created a structure to implement the goals of SB375, being responsive to the State. When we start moving the funding decisions farther away from where it needs to hit the ground, the harder it becomes to meet the goals.
- \$100 million for SCS not sufficient. A lot of people who believe these allocations are not enough.
- We want to thank you for being here. The SCS was worked on for years, a lot of public discussion. Can you speak to SCS and its role related to AB32 and its Scoping Plan? The SCS plays a role, but how big of a role? That might inform the JPC?

Mr. Corey stated that there is a suite of strategies to get us to 1990 emissions by 2020. The Scoping Plan will evaluate how we are doing meeting targets. It provides an update on climate science and the case for climate change and the impact it will have. It underscores the importance of dealing with particularly potent greenhouse gas emissions – methane, black carbon, etc. The Scoping Plan recognizes we have a long way to go. There is significant additional action that is going to be necessary. Many of those actions can provide significant co-benefits. To get to 80% below 1990 levels, everything is going to be important.

- To be intellectually honest, we need to conduct same analysis of what is going to get us to GHG reduction so that we spend money that is proportionate to the strategies that get us there.
- The SCS strategy gets you a lot of other co-benefits, and all those other benefits should matter to the state, even if SCS doesn't get you the biggest emission reductions in the shorter-term time frame.
- This is a huge new revenue source. When we start talking about including revenues from refined gasoline, what is the anticipated amount of revenue

Mr. Corey explained that CARB is very careful about the way they talk about the auctions because it has an impact on the market in terms of communicating expectations in advance of the auction. But, to answer question, so far the auctions have been clearing close to the floor, it's probably about \$2 billion annually.

- Committee members expressed discouragement to see what little credit the region was getting by the State for tackling growth issues in a serious manner. This goes into the no good deed goes unpunished category.
- The point was raised that there are disputes among cities and counties about how the resources should be distributed including. This is part of the difficult process.
- We need a discussion about what constitutes a benefit to a disadvantaged community. Need a definition in the Scoping Plan to ensure there are direct benefits to disadvantaged communities.

Public Comment – Brian Geiser requests that all materials be put on the JPC website.

7. Adjournment

Chair Gioia adjourned the meeting at about 12:30pm

Date Submitted: May 16, 2014

Date Approved: